

P.O. BOX



Update on the Happenings of CMS's Managed Care Systems and Support Operations

Division of Program Accountability and Payment, HPBG, CBC – Centers for Medicare & Medicaid Services (formerly, HCFA)

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ALERT: DPAP REGIONAL TECHNICAL SUPPORT-- CHANGE FOR KANSAS CITY

Sarah Brown will respond to technical issues you may have for the Kansas City Region. She is replacing D'Jeanette Walker until further notice. Sarah can be reached at (410) 786-6358.

schedule, work plan, and implementation strategy for achieving compliance. The bill confirms that the compliance date of the Privacy Rule, April 14, 2003, is not affected.

ASC X12N 834, BENEFIT ENROLLMENT AND MAINTENANCE TRANSACTION AND THE ACS X12N 820, PAYROLL DEDUCTED AND OTHER GROUP PREMIUM PAYMENT FOR INSURANCE PRODUCTS

This is to inform you that CMS **will not** use the 834 Benefit Enrollment and Maintenance Transaction to exchange Medicare enrollment transactions with managed care organizations even though it is part of the administrative simplification of HIPAA.

CMS has determined that the current 80-byte enrollment transaction will continue to support its managed care enrollment process.

HIPAA UPDATE: BUSH APPROVES TRANSACTION DEADLINE DELAY

It has been confirmed that on December 27th President Bush signed HR 3323, thereby enabling entities covered by HIPAA to delay compliance with the Transactions and Code Sets Rule by one full year until October 16, 2003. To qualify for the deadline extension, entities must submit a compliance plan to the Secretary of DHHS by October 16, 2002. The plan must include a budget,

DPAP WISHES YOU A HAPPY NEW YEAR!!

With regard to the 820, it will be used in the transmission of the MCOs Plan Payment Report. However, since the 820 lacks the necessary data elements to allow the reporting of payment adjustment details, the 820 will be implemented as follows:

- MCOs will download the 820 version of the Plan Payment Report.
- MCOs will translate it to obtain the summary payment information. When the information is translated the Code H1 will indicate to the MCO that additional information related to payment adjustments is available as a separate document.
- MCOs will then download their Plan Payment Report to obtain the payment adjustment information.

More later on when the 820 will be available to test and the implementation schedule.

LOCK-IN UPDATE, BUT PLAN-LEVEL DATA IS STILL REQUIRED

As you know, Lock-in is still a go. However, the House of Representatives has delayed the implementation of the Balanced Budget Act of 1997 (BBA) provisions related to the limitation of beneficiary elections until January 1, 2003. But, final approval is still pending in the Senate. If final approval is granted by the Senate, this would mean that during 2002, managed care organizations (MCOs) could continue to submit election transactions on a continuous basis. Beneficiaries could make choices without regard to specified election periods.

While the above may be true, the requirement to submit plan benefit package-level data remains. MCOs are to report the PBP identifier for each of their members. See the systems letter from Gary Bailey dated April 25, 2001 for more information. This letter is located at WWW.HCFA.GOV/MEDICARE/SYSTINFO.HTM.

Specifically, beginning May 16, 2002, the PBP Identifier is a required data element on the enrollment (Transaction code 61 and 60), election (Transaction code 71) and disenrollment (Transaction code 51) transactions. This

identifier will be contained on the Transaction Reply and Monthly Membership Reports. Submittal of the Election Type and Application Signature Date by the MCOs is required on all transactions received on or after May 16, 2002.

OODLES OF DISCOVERIES

CORRECT FORMAT FOR TESTING THE NEW MONTHLY MEMBERSHIP REPORT FOR 2002

Instructions for downloading the test file for the new Monthly Membership Report for 2002 was sent to the MCOs via a systems letter from **Gary Bailey** dated **November 20, 2001**. The letter can be found at: <http://www.hcfa.gov/medicare/systinfo.htm>.

Each MCO should be able to retrieve this report by following the instructions outlined in the letter. When selecting the report you should make sure it is the **November 2001** reporting month and use the **"T"** and **"D"** for **data format**. Please, do not use the **"T"** by itself because an error message will appear and the file will not download.

Also, if you get the error message that the "**File is not available**" -chances are that the file has been **archived**. The **retention period** on these data files are **30 days**; therefore, you will need to **unarchive** before attempting to build and download the file.

HINT: Use the "**T**" and "**D**" in order to force out only the data formatted report file. The report does not exist in report format.

Any questions on the above procedures, please contact your technical support person for your region. **Regions 1-3** Sarah Brown (410) 786-6358, **Regions 4-6** Sue Hartmann (410) 786-6192 , and **Regions 8-10** Sue Mathis (410) 786-6938.

FISCAL YEAR 2002 BBA USER FEE

CMS has established the FY 2002 Balanced Budget Act (BBA) User Fee Percentage at 0.055 percent. This percentage will be collected from gross monthly capitation payments beginning with the January 2002 payment to eligible Medicare+Choice contracts. This means starting January 2002 payment through September 2002 CMS will assess those M+Cs subject to the user fee an amount equal to 0.055% of the total calculated monthly payments until the \$14.5 million in total fees has been collected.

CALENDAR YEAR 2002 PLAN GHP SYSTEM OPERATING SCHEDULE

The Year 2002 GHP System Operating schedule was released in September 2001. The schedule can be found at the following website address: <http://www.hcfa.gov/medicare/02schpld.htm>

JANUARY 2002 WORKING AGED PAYMENT ADJUSTMENTS

There are no working aged adjustment on the January 2002 payment, due to the early December 2001 cutoff and programs running late at the Common Working File(CWF). These adjustments will show on the Feb 2002 Group Health Plan (GHP) monthly reports.

QUESTIONS ON FEE-FOR - SERVICE (FFS) OUTPATIENT CLAIMS PROCESSING AND RATES FOR 2002?

For answers to these questions, please check out (<http://www.hcfa.gov/pubfor.ms/transmit/A01145.pdf>) for more information.

HOW ARE WE DOING?

Please send us your comments, suggestions, and/or articles that you would like to see in our March 2002 or future releases.

Send your requests to JLopez@CMS.HHS.GOV,

DEvans2@CMS.HHS.GOV,
or
SHartmann@CMS.HHS.GOV
of the P.O. Box Newsletter Team.